

**Native Forward Scholars Fund
and
American Indian Graduate Center Scholars
COMBINED FINANCIAL STATEMENTS
June 30, 2022
(With Comparative Totals for June 30, 2021)**

INDEPENDENT AUDITORS' REPORT

Board of Directors
Native Forward Scholars Fund
and American Indian Graduate Center Scholars

Opinion

We have audited the accompanying combined financial statements of the Native Forward Scholars Fund and American Indian Graduate Center Scholars, both nonprofit organizations, collectively referred to hereafter as the “Organization”, which comprise the combined statement of financial position as of June 30, 2022, and the related combined statements of activities and changes in net assets, cash flows and functional expenses for the year then ended and the related notes to the combined financial statements.

In our opinion, the combined financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of the combined financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the combined financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore, is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually, or in the aggregate, they would influence the judgment made by a reasonable user based on the combined financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the combined financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period-of-time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited the Organization's 2021 combined financial statements, and we expressed an unmodified opinion on those audited combined financial statements in our report dated January 21, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited combined financial statements from which it has been derived.

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole.

Supplementary Information

The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the combined financial statements as a whole.

The accompanying combining statements of financial position and activities and changes in net assets are presented for purposes of additional analysis and is not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining information is fairly stated in all material respects in relation to the combined financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 13, 2023, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

January 13, 2023

PULAKOS CPAs, PC

Pulakos CPAs, PC

**Native Forward Scholars Fund
and
American Indian Graduate Center Scholars**

COMBINED STATEMENTS OF FINANCIAL POSITION

June 30, 2022

(With Comparative Totals for June 30, 2021)

Assets

	2022	2021
Current assets		
Cash	\$ 4,950,138	\$ 3,793,777
Investments	18,464,059	24,327,652
Receivables, net	41,741	301,108
Other current assets	38,202	89,719
Total current assets	23,494,140	28,512,256
Property and equipment, net	1,069,883	48,155
Purpose restricted investments	1,280,936	1,787,732
Endowed investments	3,504,436	2,381,308
Total assets	\$ 29,349,395	\$ 32,729,451

Liabilities and Net Assets

Current liabilities		
Accounts payable and accrued liabilities	\$ 136,962	\$ 1,128,356
Scholarships payable	98,776	40,000
Deferred revenue	2,266,333	457,647
Total current liabilities	2,502,071	1,626,003
Net assets		
Without donor restrictions	21,846,792	26,740,024
With donor restrictions		
Time or purpose restricted	1,496,096	1,982,116
Perpetual in nature	3,504,436	2,381,308
Total net assets	26,847,324	31,103,448
Total liabilities and net assets	\$ 29,349,395	\$ 32,729,451

**Native Forward Scholars Fund
and
American Indian Graduate Center Scholars**

COMBINED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

**Year Ended June 30, 2022
(With Comparative Totals for 2021)**

	2022			2021 Total
	Without Donor Restrictions	With Donor Restrictions	Total	
Revenues, support and gains				
Contributions and grants	\$ 5,066,986	\$ 1,915,734	\$ 6,982,720	\$ 26,450,470
Federal grant	7,016,944	-	7,016,944	6,210,685
Other program revenue	366,965	-	366,965	424,925
Interest and dividends, net of investment fees	795,568	183,363	978,931	500,987
Realized and unrealized (losses) gains on investments	(3,763,162)	(947,015)	(4,710,177)	4,503,419
Net assets released from restrictions	514,974	(514,974)	-	-
Total revenues, support and gains	9,998,275	637,108	10,635,383	38,090,486
Expenses				
Program	13,894,433	-	13,894,433	13,966,219
Management	761,110	-	761,110	820,402
Fundraising	235,964	-	235,964	251,575
Total expenses	14,891,507	-	14,891,507	15,038,196
Change in net assets	(4,893,232)	637,108	(4,256,124)	23,052,290
Net assets, beginning of year	26,740,024	4,363,424	31,103,448	8,051,158
Net assets, end of year	<u>\$ 21,846,792</u>	<u>\$ 5,000,532</u>	<u>\$ 26,847,324</u>	<u>\$ 31,103,448</u>

See Notes to Combined Financial Statements and Independent Auditors' Report.

**Native Forward Scholars Fund
and
American Indian Graduate Center Scholars**

COMBINED STATEMENTS OF CASH FLOWS

**Year Ended June 30, 2022
(With Comparative Totals for 2021)**

	<u>2022</u>	<u>2021</u>
Operating activities		
Change in net assets	\$ (4,256,124)	\$ 23,052,290
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	22,293	37,252
Realized and unrealized loss (gain) on investments	4,710,177	(4,503,419)
Net changes to operating assets and liabilities		
Receivables, net	259,367	(181,156)
Other current assets	51,517	305
Accounts payable and accrued liabilities	(991,394)	992,199
Scholarships payable	58,776	(43,334)
Refundable advances - PPP	-	(184,906)
Deferred revenue	1,808,686	(2,394,706)
	<u>1,663,298</u>	<u>16,774,525</u>
Net cash provided by operating activities		
Investing activities		
Purchases of investments and reinvestment of investment income	(4,877,377)	(34,416,493)
Proceeds from sale of investments	5,414,461	15,648,641
Purchases of property and equipment	(1,044,021)	-
	<u>(506,937)</u>	<u>(18,767,852)</u>
Net cash used by investing activities		
Change in cash	1,156,361	(1,993,327)
Cash, beginning of year	<u>3,793,777</u>	<u>5,787,104</u>
Cash, end of year	<u>\$ 4,950,138</u>	<u>\$ 3,793,777</u>

**Native Forward Scholars Fund
and
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COMBINED STATEMENTS OF FUNCTIONAL EXPENSES

**Year Ended June 30, 2022
(With Comparative Totals for 2021)**

	Program			
	Scholarships and Student Support Services	Outreach	Read/ Selection	Leadership
Scholarships	\$ 11,364,853	\$ -	\$ -	\$ -
Personnel expenses	896,372	451,572	115,223	56,552
Professional services	187,783	94,601	24,138	11,847
Travel, meetings and conferences	173,281	87,296	22,274	10,932
Occupancy expense	86,452	43,553	11,113	5,454
Supplies	42,507	21,414	5,464	2,682
Telephone	30,614	15,423	3,935	1,931
Printing and publications	17,871	9,003	2,297	1,127
Postage and shipping	10,130	5,103	1,302	639
Depreciation	11,499	890	1,478	725
Equipment and repairs	8,610	4,338	1,107	544
Miscellaneous	29,788	15,007	3,829	1,880
	\$ 12,859,760	\$ 748,200	\$ 192,160	\$ 94,313

Management and General

<u>Total Program</u>	<u>NFSF</u>	<u>AIGC Scholars</u>	<u>Fundraising</u>	<u>2022 Total</u>	<u>2021 Total</u>
\$ 11,364,853	\$ -	\$ -	\$ -	\$ 11,364,853	\$ 11,374,293
1,519,719	248,531	208,337	141,487	2,118,074	2,698,701
318,369	68,661	26,228	29,641	442,899	391,837
293,783	75,711	12,608	27,352	409,454	10,355
146,572	23,030	21,033	13,646	204,281	112,564
72,067	16,924	4,742	6,710	100,443	46,057
51,903	8,530	7,073	4,832	72,338	20,281
30,298	9,098	10	2,821	42,227	114,097
17,174	3,827	1,336	1,599	23,936	32,205
14,592	4,861	1,025	1,815	22,293	37,252
14,599	3,456	932	1,359	20,346	84,545
50,504	15,152	5	4,702	70,363	116,009
<u>\$ 13,894,433</u>	<u>\$ 477,781</u>	<u>\$ 283,329</u>	<u>\$ 235,964</u>	<u>\$ 14,891,507</u>	<u>\$ 15,038,196</u>

**Native Forward Scholars Fund
and
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NOTES TO COMBINED FINANCIAL STATEMENTS

**June 30, 2022
(With Comparative Totals for 2021)**

NOTE 1 – NATURE OF BUSINESS

The combined financial statements include the accounts of Native Forward Scholars Fund (NFSF, formerly known as American Indian Graduate Center, Inc.) and American Indian Graduate Center Scholars (AIGC Scholars), which are related by common purposes and are collectively referred to as “the Organization”. The two organizations share office space and various personnel and administrative expenses.

NFSF is a not-for-profit corporation incorporated in 1971 to promote the interests of American Indian people throughout the United States by providing assistance to Indian students at the graduate level. AIGC Scholars is a not-for-profit corporation established January 30, 2001, to administer scholarship and other educational programs to broaden and expand the higher educational opportunities for American Indian and Alaska Native students.

AIGC Scholars receives 100% of its funding under a grant agreement with the United Negro College Fund (UNCF). The grant agreement with UNCF provides for the administration of a portion of the Bill and Melinda Gates Millennium Scholars Program, as it relates to American Indian and Alaska Native students pursuing undergraduate through doctoral degrees. The Gates Millennium Scholars Program is a scholarship program funded by the Bill and Melinda Gates Foundation and is administered by UNCF. To assist in the implementation of this program, UNCF established a partnership with AIGC Scholars.

Programs of the Organization

The Organization's principal programs are comprised of:

Disbursements and Program Support

Materials and activities designed to ensure that all applicant documents are processed properly, and student files are complete, meet the requirements of all scholarship programs and are compliant with the Bureau of Indian Education (BIE), Gates Millennium Scholars program, Wells Fargo and all other contracts. Disbursement activities also include the calculation of award amounts based on financial need and the disbursement of scholarship funds to students.

Retention and academic advisement activities are reported in Disbursements and Program Support and consist of generalized activities to assist awarded Gates Millennium Scholars in achieving continued success in the program. AIGC Scholars staff maintains communication with students and addresses any difficulties they are experiencing in their academic pursuits; with the objective of helping them achieve the criteria for retention in the program.

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NOTES TO COMBINED FINANCIAL STATEMENTS

**June 30, 2022
(With Comparative Totals for 2021)**

NOTE 1 – NATURE OF BUSINESS – CONTINUED

Programs of the Organization – Continued

Outreach

Activities that promote the scholarship programs and recruit applicants with the skills necessary to succeed in the program. Materials and presentations are designed to inform educators and American Indian and Alaska Native students about the program.

Reading

Activities for the selection of students who are awarded various scholarships. Qualified readers are selected to review all applications and rank them for the purpose of selecting the best-qualified applicants for the program.

Student Support and Resources

Programs that engage students and provide resources to high school students, undergraduate and graduate students. This includes the Empowering Scholars Summit college readiness for high school students; The Rising Native Graduates graduate school mentoring program; The Financial Education Capability financial education program for students and community members; and The Web Resource Center on the NFSF website that provides resources for all students.

Leadership

Preparing and hosting activities to bring awarded students and alumni together to participate in leadership activities and engage in networking and mentoring, in order to promote their leadership abilities and enhance their likelihood for success.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Estimates

The preparation of combined financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Financial Statement Presentation

The assets, liabilities and results of activities of NFSF and AIGC Scholars are combined in the accompanying combined financial statements and have been collectively referred to as "the Organization." All significant intercompany accounts and transactions are eliminated in the combination. These combined statements are not those of a separate legal entity.

**Native Forward Scholars Fund
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NOTES TO COMBINED FINANCIAL STATEMENTS

**June 30, 2022
(With Comparative Totals for 2021)**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Financial Statement Presentation – Continued

The combined financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the combined financial statements for the year ended June 30, 2021, from which the summarized information was derived.

Certain reclassifications have been made to the 2021 combined financial statements to conform to the 2022 presentation. These reclassifications have no impact on the Organization's change in net assets.

Basis of Presentation

The combined financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP), which require the Organization to report information regarding its combined financial position and combined activities and changes in net assets according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the Board of Directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage-of-time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the combined statements of activities and changes in net assets.

Receivables

Receivables are carried at their estimated collectible amounts. The Organization utilizes the allowance method of receivables valuation. Balances that remain outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance. As of June 30, 2022 and 2021, management estimates that all receivables are collectible and thus no allowance for uncollectible receivables has been recorded. All receivables are considered current.

**Native Forward Scholars Fund
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NOTES TO COMBINED FINANCIAL STATEMENTS

**June 30, 2022
(With Comparative Totals for 2021)**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Investments

Investments consist of marketable securities and are stated at quoted fair market value (FMV). Investment income is presented net of investment fees. Investment fees were \$153,817 and \$99,540 in 2022 and 2021, respectively.

Property and Equipment

Property and equipment are stated at cost. Depreciation is recorded on the straight-line basis in amounts sufficient to relate the cost of depreciable assets to operations over their estimated useful lives, which range from two to five years. The Organization capitalizes acquisitions in excess of \$500. Contributed property and equipment is recorded at fair value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support.

Depreciation expense was \$22,293 and \$37,252 in 2022 and 2021, respectively.

Scholarships Payable

Scholarships payable represents scholarship awards that are due by the Organization to identified, qualified recipients but have not yet been disbursed.

Revenue Recognition

Support from contributions, grants and special events is recognized when awarded, earned or when expenditures have been incurred in accordance with provisions of the contributions and special events. Program service fee revenue is recognized when the service is performed.

Deferred Revenue

Deferred revenue represents scholarship receipts for which the Organization has not yet provided all services associated with the placement of a scholarship. Revenue is recognized by the Organization upon completion of all grantor requirements.

Donated Assets and Services

Donated assets are recorded at their estimated fair values as of the date of contribution. Contributions of services are recognized in the combined financial statements if the services received enhance or create non-financial assets, require specialized skills and are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Some services are provided by volunteers who perform a variety of tasks that benefit the Organization but are not recorded, as they do not meet the above criteria.

**Native Forward Scholars Fund
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NOTES TO COMBINED FINANCIAL STATEMENTS

**June 30, 2022
(With Comparative Totals for 2021)**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Functional Classification of Expenses

Expenses are presented on a functional basis allocated among its various programs, including management and general. Expenses and support services related to a specific program are allocated directly according to their natural expenditure classification. Other expenditures that are common to several programs are allocated based on various relationships, such as square footage or direct labor or periodic time and expense studies.

Fundraising Activity

The Organization accounts for the allocation of joint costs between program activities and fund raising as provided for by accounting principles generally accepted in the United States of America surrounding the accounting for costs of activities of not-for-profit organizations that include fundraising.

Federal Contract

The Organization performs services under a contract with the Bureau of Indian Education. Revenue from this contract is recognized as the services are performed, to the extent of expenses pursuant to applicable federal laws and regulations and the terms and conditions of the contract. Receipts in excess of expenses are recorded as deferred revenue in the accompanying combined financial statements.

Financial Instruments

The carrying amounts of cash, receivables, payables, accrued expenses and other liabilities approximate fair value due to short maturity periods of these instruments.

Tax Exempt Status

The Organization is a nonprofit charitable corporation and has been recognized as tax-exempt under Section 501(c)(3) of the Internal Revenue Code. The Organization has adopted accounting principles generally accepted in the United States of America, as they relate to uncertain tax positions, and has evaluated its tax positions taken for open tax years. Management believes that the activities of the Organization are within their tax-exempt purpose, and that there are no uncertain tax positions.

United Negro College Fund (UNCF) Grant Agreement

Revenue from the grant agreement with UNCF is segregated into administrative support and scholarship support.

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NOTES TO COMBINED FINANCIAL STATEMENTS

**June 30, 2022
(With Comparative Totals for 2021)**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

United Negro College Fund (UNCF) Grant Agreement – Continued

Administrative Support

Administrative support is considered to be an unconditional promise to give. However, since the donor specified the period for which the funds are to be used, it is recognized as temporarily restricted for time. The support is subsequently released to unrestricted during the period to which the support was intended.

Scholarship Support

Receipts related to scholarship support are not considered to be promises to give, but rather exchange transactions for services rendered by the Organization. Therefore, any funding related to the activity, which may be received in advance, is deferred until the Organization has provided the services associated with the placement of a scholarship.

Actual scholarship awards granted to the Organization are made only after the actual recipient has been identified and pre-qualified by the Organization. Therefore, all such awards are recognized as unrestricted revenue when awarded since all requirements of the award have been met. An increase in disbursement and program support is also recognized at this time. Amounts are then carried as a scholarship payable until disbursement is made.

Advertising

Advertising costs (\$41,286 and \$110,777 in 2022 and 2021, respectively) are expensed as incurred.

Fair Value Measurements

Accounting Standards Codification Topic 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1 – Unadjusted quoted prices in active markets for identical investments that the Organization has the ability to access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the investment, either directly or indirectly. These inputs may include quoted prices for the identical instrument in an inactive market, inputs other than observable quoted prices, or inputs derived principally from or corroborated by observable market data by correlation or other means.

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NOTES TO COMBINED FINANCIAL STATEMENTS

**June 30, 2022
(With Comparative Totals for 2021)**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Fair Value Measurements – Continued

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Subsequent Events

The Organization has evaluated all events occurring subsequent to June 30, 2022 and through January 13, 2023, which is the date that the combined financial statements were issued and does not believe that any events occurring during this period require either recognition or disclosure in the accompanying combined financial statements.

NOTE 3 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Cash	\$ 4,950,138	\$ 3,793,777
Investments	23,249,431	28,496,692
Receivables, net	<u>41,741</u>	<u>301,108</u>
Total financial assets	28,241,310	32,591,577
Less amounts not available to be used within one year:		
Net assets with donor restrictions	<u>5,000,532</u>	<u>4,363,424</u>
Financial assets available to meet cash needs for general expenditure within one year from June 30, 2022 and 2021	<u>\$ 23,240,778</u>	<u>\$ 28,228,153</u>

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NOTES TO COMBINED FINANCIAL STATEMENTS

**June 30, 2022
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NOTE 3 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS – CONTINUED

The Organization manages its cash flow and liquidity on an on-going basis to ensure that sufficient funds are available to cover current operational needs. The Organization’s goal is generally to maintain a level of financial assets sufficient to cover a minimum of 45 days of operating expenses. As part of its liquidity plan, the Organization is continuously evaluating the amount of cash on hand and expected to be collected within 30 days, against current financial obligations.

NOTE 4 – PROPERTY AND EQUIPMENT

	2022	2021
Buildings and leasehold improvements	\$ 1,052,631	\$ 1,036
Furniture, fixtures and equipment	438,694	446,294
	1,491,325	447,330
Less accumulated depreciation	(421,442)	(399,175)
	\$ 1,069,883	\$ 48,155

NOTE 5 – INVESTMENTS

The following table presents investments that are measured at fair value on a recurring basis as of June 30, 2022 and 2021:

2022 - Description	Total	Level 1	Level 2	Level 3
Money market funds	\$ 2,749,878	\$ 2,749,878	\$ -	\$ -
Equities	1,294,612	1,294,612	-	-
Exchange traded funds	10,686,099	10,686,099	-	-
Mutual funds	8,518,842	8,518,842	-	-
	\$ 23,249,431	\$ 23,249,431	\$ -	\$ -

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NOTES TO COMBINED FINANCIAL STATEMENTS

**June 30, 2022
(With Comparative Totals for 2021)**

NOTE 5 – INVESTMENTS – CONTINUED

<u>2021 - Description</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Money market funds	\$ 699,279	\$ 699,279	\$ -	\$ -
Equities	2,920,040	2,920,040	-	-
Exchange traded funds	11,367,311	11,367,311	-	-
Mutual funds	13,510,062	13,510,062	-	-
	<u>\$ 28,496,692</u>	<u>\$ 28,496,692</u>	<u>\$ -</u>	<u>\$ -</u>

The classifications of different types of investments in the preceding tables are determined by evaluating each fund or investment within general investment type parameters.

The following is a description of the valuation methodologies used for assets and liabilities measured at fair value.

Money market funds: Valued based on stated values.

Equities, mutual funds, exchange traded funds and alternative investments: Valued at the closing price of the traded security at the combined statements of financial position date.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

NOTE 6 – PAYCHECK PROTECTION PROGRAM (PPP)

On May 1, 2020, the Organization entered into a Loan Agreement and Promissory Note (SBA Loan) pursuant to the Paycheck Protection Program (PPP) under the recently enacted Coronavirus Aid, Relief and Economic Security Act (CARES Act) administered by the U.S. Small Business Administration. The Organization received total loan proceeds of \$184,906. The loan is scheduled to mature on May 1, 2022, carries a 1.00% interest rate, and is subject to the terms and conditions applicable to loans administered by the U.S. Small Business Administration under the CARES Act. The loan may be prepaid by the Organization at any time prior to maturity with no prepayment penalties. The loans contain customary events of default relating to, among other things, payment defaults and breaches of representations and warranties.

**Native Forward Scholars Fund
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NOTES TO COMBINED FINANCIAL STATEMENTS

**June 30, 2022
(With Comparative Totals for 2021)**

NOTE 6 – PAYCHECK PROTECTION PROGRAM (PPP) – CONTINUED

Subject to certain conditions, the loan may be forgiven in whole or in part by applying for forgiveness pursuant to the CARES Act and the PPP. The amount of loan proceeds eligible for forgiveness is determined on a formula based on a number of factors, including the amount of loan proceeds used during the 24-week forgiveness period after the loan origination for certain purposes. In accordance with the requirements of the CARES Act and the PPP, the Organization intends to use the proceeds from the loan primarily for payroll costs.

The Organization has elected to account for this transaction as a conditional contribution, pursuant to Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-605, *Financial Statements for Not-For-Profit Organizations – Revenue Recognition*. Accordingly, the Organization asserts that loan forgiveness pursuant to the CARES Act and the PPP constitute the condition placed on the funds to be met and therefore, a contribution should be recorded at that time. The Organization received full loan forgiveness in 2021 and accordingly, the full loan amount of \$184,906 has been recorded as revenue in 2021.

NOTE 7 – NET ASSETS WITH DONOR RESTRICTIONS

	2022	2021
Subject to expenditure for specified purpose		
Post-graduate Educational Assistance	\$ 1,407,908	\$ 1,883,079
Program specific restrictions	88,188	99,037
	1,496,096	1,982,116
Endowments-		
subject to endowment spending policy	3,504,436	2,381,308
	\$ 5,000,532	\$ 4,363,424
Net assets released are as follows:	2022	2021
Post-graduate Educational Assistance	\$ -	\$ 171,407
Program specific restrictions	514,974	221,579
	\$ 514,974	\$ 392,986

**Native Forward Scholars Fund
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**June 30, 2022
(With Comparative Totals for 2021)**

NOTE 8 – ENDOWMENTS

The Uniform Prudent Management of Institutional Funds Act (UPMIFA) provides industry guidance to organizations similar to the Organization. The State of New Mexico adopted UPMIFA effective July 1, 2009. The Organization has determined that certain restricted net assets meet the definition of endowment funds under UPMIFA.

Endowment Investment and Spending Policies

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding for initiatives supported by its endowments while seeking to maintain the purchasing power of the endowments.

In determining the prudent amount to distribute in a given year, the Organization considers the donor's intent, the purpose of the fund as stated in the fund agreement, and relevant economic factors. The Organization's current spending policy with regards to its endowments is determined annually by the Board of Directors.

The investment policies establish a return objective through diversification of asset classes. The current long-term return objective is the rate of inflation plus spending, net of any investment fees. To satisfy its long-term rate of return objectives, the Organization relies on a total return strategy in which investment returns may be achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk parameters.

The Organization's endowment funds consist entirely of donor-restricted funds. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

**Native Forward Scholars Fund
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NOTES TO COMBINED FINANCIAL STATEMENTS

**June 30, 2022
(With Comparative Totals for 2021)**

NOTE 8 – ENDOWMENTS – CONTINUED

Changes in Endowment Net Assets for the Years Ending June 30, 2022 and 2021:

	<u>Purpose Restricted</u>	<u>Perpetually Endowed</u>	<u>Total</u>
Endowment net assets, June 30, 2020	\$ 909,839	\$ 1,898,844	\$ 2,808,683
Investment return			
Interest income	87,716	1,377	89,093
Unrealized gain on investment	780,626	10,532	791,158
Investment fees	<u>(17,554)</u>	<u>(223)</u>	<u>(17,777)</u>
Total investment return	850,788	11,686	862,474
Contributions	68,860	470,778	539,638
Distributions	<u>(41,755)</u>	<u>-</u>	<u>(41,755)</u>
Endowment net assets, June 30, 2021	1,787,732	2,381,308	4,169,040
Investment return			
Interest income	172,725	10,638	183,363
Unrealized loss on investment	(856,921)	(66,052)	(922,973)
Investment fees	<u>(22,584)</u>	<u>(1,458)</u>	<u>(24,042)</u>
Total investment return	(706,780)	(56,872)	(763,652)
Contributions	199,984	1,180,000	1,379,984
Distributions	<u>-</u>	<u>-</u>	<u>-</u>
Endowment net assets, June 30, 2022	<u>\$ 1,280,936</u>	<u>\$ 3,504,436</u>	<u>\$ 4,785,372</u>

**Native Forward Scholars Fund
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American Indian Graduate Center Scholars**

NOTES TO COMBINED FINANCIAL STATEMENTS

**June 30, 2022
(With Comparative Totals for 2021)**

NOTE 9 – COMMITMENTS AND CONTINGENCIES

Operating Leases

The Organization rents its operating facility under an operating lease which expires in December 2023. The Organization also rents small operational equipment under operating lease agreements expiring September 2022. Total rent expense under these leases was \$118,321 and \$118,876 in 2022 and 2021, respectively.

Future minimum fiscal year lease payments are as follows:

2023	\$ 108,027
2024	<u>53,700</u>
	<u>\$ 161,727</u>

Concentrations of Risk

The Organization has investments with financial institutions (principally banks), brokerage firms, and individual mutual funds. Investments with banks consist principally of cash on deposit. These monies are subject to federal insurance limits and the Organization's balances frequently exceed amounts insured by the federal government. Investments (consisting principally of marketable equities, money market, and marketable debt instruments) with investment brokerage firms and mutual funds, while subject to certain conditions where there can be defined insurance coverage for certain situations are nevertheless, subject to declines in principal value principally due to movements in the stock and bond markets. The Organization attempts to minimize this risk through diversification and allocation strategies.

The Organization maintains cash balances, which at times may exceed federally insured limits.

Concentration of Revenues

The Organization received a substantial portion of its revenue from a grant agreement with UNCF. Management has been informed that this program will sunset and that the final cohort of Scholars were selected in 2017. At this time, all Scholars currently enrolled in degree programs will continue to receive full benefits of the program through the completion of their eligible programs, and no new Scholars will be awarded.

Additionally, the Organization received a substantial portion of its revenue in 2022 and 2021, from a grant agreement with the Bureau of Indian Affairs.

In 2021, the Organization received a one-time gift for \$20,000,000 that is without donor restriction.

**Native Forward Scholars Fund
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NOTES TO COMBINED FINANCIAL STATEMENTS

**June 30, 2022
(With Comparative Totals for 2021)**

NOTE 9 – COMMITMENTS AND CONTINGENCIES – CONTINUED

Questioned Costs

The Organization receives grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could result in a request for reimbursement by the grantor agencies for expenditures disallowed under the terms and conditions of the appropriate agency. The Organization has not experienced questioned costs in the past. In the opinion of the Organization's management, such disallowances, if any, would not be significant.

Benefit Plan

The Organization maintains a defined contribution 401(k) profit sharing plan (the Plan) for its eligible employees. To be eligible, employees must have completed one month of service and be at least 21 years of age. The Plan allows the Organization a maximum 6% match for employees completing 1,000 hours of service during the Plan year. Contributions were \$75,317 and \$54,020 in 2022 and 2021, respectively.

COVID-19 Pandemic

At a national and international level, government restrictions on travel and the behavioral changes by the public due to COVID-19 outbreaks across the globe are negatively impacting various industries and the related world markets. While the disruption is expected to be temporary, there is considerable uncertainty around the duration and ultimate financial impact of these actions.

NOTE 10 – RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

Effective for its annual combined financial statements for 2023, the Organization is subject to new accounting standards issued by FASB that will require significant changes in accounting for operating leases under which the Organization is a lessee. Upon adoption, among other effects, the Organization will be required to record assets and liabilities for all operating lease obligations with terms of 12 months or greater. These changes will entail certain retrospective adjustments. The qualitative effects on the Organization's future combined financial statements of these changes and related retrospective adjustments have not yet been determined.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**Native Forward Scholars Fund
and
American Indian Graduate Center Scholars**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2022

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantors Number</u>	<u>Expenditures</u>
U.S. DEPARTMENT OF INTERIOR BUREAU OF INDIAN EDUCATION:			
Indian Graduate Student Scholarships (Science Post Graduate Scholarships)	15.059	A16PX01826/001	\$ 5,314,234
(Loan for Service Program)	15.059	A16PX01434/001	705,792
(Special Higher Education Scholarships)	15.059	A16PX01434/001	<u>1,290,217</u>
Total federal expenditures			<u>\$ 7,310,243</u>

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Native Forward Scholars Fund under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of American Indian Graduate Center, Inc., it is not intended to and does not present the combined financial position, activities and changes in net assets, or cash flows of Native Forward Scholars Fund.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and/or OMB Circular A-122, *Cost Principles for Non-profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 – INDIRECT COST RATE

The Organization has elected not to use the 10% de minimis indirect cost rate as permitted by the Uniform Guidance.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL
CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Board of Directors
Native Forward Scholars Fund

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America, the combined financial statements of the Organization, which comprise the combined statement of financial position as of June 30, 2022, and the related combined statements of activities and changes in net assets, cash flows and functional expenses for the year then ended and the related notes to the combined financial statements and have issued our report thereon dated January 13, 2023.

Internal Control over Financial Reporting

In planning and performing our audit of the combined financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the combined financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Organization's combined financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's combined financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of combined financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

January 13, 2023

PULAKOS CPAs, PC

Pulakos CPAs, PC

**INDEPENDENT AUDITOR'S REPORT ON
COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors
Native Forward Scholars Fund

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Organization's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2022. The Organization's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

Responsibility of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore, is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

PULAKOS CPAs, PC

Pulakos CPAs, PC

January 13, 2023

**Native Forward Scholars Fund
and
American Indian Graduate Center Scholars**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2022

SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: **Unmodified**

Internal control over financial reporting:
 Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified? _____ Yes X No

Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major programs:
 Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified? _____ Yes X No

Type of auditors' report issued on compliance
 for major programs: **Unmodified**

Any audit findings disclosed that are required
 to be reported in accordance with 2 CFR section
 200.516(a)? _____ Yes X No

Identification of major programs:

CFDA Numbers(s)

Name of Federal Program or Cluster

15.059

Indian Graduate Student
Scholarships

Dollar threshold used to distinguish
 between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? X Yes _____ No

**Native Forward Scholars Fund
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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2022

SECTION II - FINANCIAL STATEMENT AUDIT FINDINGS

NONE

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

NONE

SECTION IV - SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

NONE

COMBINING SUPPLEMENTARY INFORMATION

**Native Forward Scholars Fund
and
American Indian Graduate Center Scholars**

COMBINING STATEMENT OF FINANCIAL POSITION

June 30, 2022

<u>Assets</u>	<u>NFSF</u>	<u>AIGC Scholars</u>	<u>Combination</u>	<u>Total</u>
Current assets				
Cash	\$ 3,994,578	\$ 955,560	\$ -	\$ 4,950,138
Investments	18,464,059	-	-	18,464,059
Receivables, net	41,741	-	-	41,741
Intercompany due to/from	(247,277)	247,277	-	-
Other current assets	38,044	158	-	38,202
Total current assets	22,291,145	1,202,995	-	23,494,140
Property and equipment, net	1,069,883	-	-	1,069,883
Purpose restricted				
investments	1,280,936	-	-	1,280,936
Endowed investments	3,504,436	-	-	3,504,436
Total assets	<u>\$ 28,146,400</u>	<u>\$ 1,202,995</u>	<u>\$ -</u>	<u>\$ 29,349,395</u>
 <u>Liabilities and Net Assets</u>				
Current liabilities				
Accounts payable and				
accrued liabilities	\$ 136,962	\$ -	\$ -	\$ 136,962
Scholarships payable	98,776	-	-	98,776
Deferred revenue	2,048,921	217,412	-	2,266,333
Total current liabilities	2,284,659	217,412	-	2,502,071
Net assets				
Without donor restrictions	20,861,209	985,583	-	21,846,792
With donor restrictions				
Time or purpose restricted	1,496,096	-	-	1,496,096
Perpetual in nature	3,504,436	-	-	3,504,436
Total net assets	25,861,741	985,583	-	26,847,324
Total net assets	<u>\$ 28,146,400</u>	<u>\$ 1,202,995</u>	<u>\$ -</u>	<u>\$ 29,349,395</u>

**Native Forward Scholars Fund
and
American Indian Graduate Center Scholars**

COMBINING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended June 30, 2022

	NFSF	AIGC Scholars	Combination	Total
Revenues, support and gains				
Contributions and grants	\$ 2,990,104	\$ 3,992,616	\$ -	\$ 6,982,720
Federal grant	7,016,944	-	-	7,016,944
Other program revenue	366,965	-	-	366,965
Interest and dividends, net of fees	978,235	696	-	978,931
Realized and unrealized loss on investments	(4,710,177)	-	-	(4,710,177)
 Total revenues, support and gains	 6,642,071	 3,993,312	 -	 10,635,383
 Expenses				
Program	10,338,243	3,556,190	-	13,894,433
Management	477,781	283,329	-	761,110
Fundraising	235,964	-	-	235,964
 Total expenses	 11,051,988	 3,839,519	 -	 14,891,507
 Change in net assets	 (4,409,917)	 153,793	 -	 (4,256,124)
 Net assets, beginning of year	 30,271,658	 831,790	 -	 31,103,448
 Net assets, end of year	 <u>\$ 25,861,741</u>	 <u>\$ 985,583</u>	 <u>\$ -</u>	 <u>\$ 26,847,324</u>